

## Message Text

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PAGE 01 NEW DE 15024 121107Z

13-12

ACTION NEA-10

INFO OCT-01 EA-09 ISO-00 EB-07 FEA-01 CIAE-00 DODE-00

PM-04 H-02 INR-07 L-03 NSAE-00 NSC-05 PA-02 PRS-01

SP-02 SS-15 USIA-15 TRSE-00 INT-05 COME-00 XMB-04

/093 W

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P R 120850Z NOV 75

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC PRIORITY 2189

AMCONSUL SYDNEY

INFO AMEMBASSY TEHRAN

UNCLAS NEW DELHI 15024

E.O. 11652: N/A

TAGS: BEXP IN

SUBJECT: KUDREMUKH PROJECT

REF: TEHRAN 10866

1. WE HAVE CONFIRMED THE RECENT SIGNING OF THE IRANIAN/INDIAN LOAN AGREEMENT TO DEVELOP THE KUDREMUKH PROJECT WITH STEEL AUTHORITY OF INDIA LTD. (SAIL) OFFICIALS, BUT PROJECT DETAILS REMAIN UNAVAILABLE UNTIL THE TERMS OF THE AGREEMENT HAVE BEEN WORKED OUT.

2. THE MINING FIRMS TO BE INVOLVED IN THIS PROJECT HAVE YET TO BE OFFICIALLY ANNOUNCED, BUT IT WAS INDICATED THAT CONTRACTS WOULD PROBABLY BE SIGNED WITHIN THE NEXT COUPLE OF MONTHS. THE FIRMS WILL HAVE 45 MONTHS TO FULFILL THE TERMS OF THE CONTRACTS. THE GOI HAS SET A TARGET DATE OF JUNE 1980 TO BEGIN OPERATIONS.

3. PLANS CALL FOR THE KUDREMUKH PROJECT TO BE MANAGED BY A NEW CORPORATE ENTITY TO BE SET UP UNDER SAIL AND HEADQUARTERED IN BANGALORE. THE NAME, ADDRESS AND KEY OFFICIALS OF THIS PROPOSED ORGANIZATION WILL BE FORWARDED TO THE DEPARTMENT WHEN THIS INFORMATION BECOMES KNOWN. IN THE MEANTIME, THE CONTACT  
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OFFICIAL FOR OBTAINING PROJECT DETAILS IS MR. M B SILGARDO,

JOINT MANAGING DIRECTOR, METALLURGICAL AND ENGINEERING CONSULTANTS OF INDIA LTD. (MECON), 14/3 NRUPATHUNGA ROAD, BANGALORE 56332, INDIA. WE UNDERSTAND SILGARDO IS SLATED TO BECOME HEAD OF THE NEW ORGANIZATION. MECON IS A SUBSIDIARY OF SAIL AND HAS BEEN CLOSELY ASSOCIATED IN DRAWING UP PROJECT DETAILS.

4. MAJOR EQUIPMENT, WHICH WILL NEED TO BE IMPORTED FOR THIS PROJECT, INCLUDE SHOVELS, BOTTOM DUMPERS, CRUSHERS, MAGNETIC SEPARATORS, PELLETIZERS, CONCENTRATORS, PRODUCTION DRILLS, TRUCKS, PUMPS, SAMPLERS AND AGITATORS. AN OFFICIAL OF MECON INFORMALLY REPORTED THAT PURCHASE OF THESE WILL BE MOSTLY ON THE BASIS OF PREQUALIFYING PARTICULARS TO BE INVITED FROM POTENTIAL SUPPLIERS. NO DATE HAS BEEN SET FOR ISSUING PREQUALIFYING BID INVITATIONS.

5. FOR SYDNEY. PLEASE PASS KAISER.SAXBE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
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**TAGS:** BEXP, IN  
**To:** STATE SYDNEY  
**Type:** TE  
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